

TEACHERS' RETIREMENT BOARD
SUBCOMMITTEE ON CORPORATE GOVERNANCE

SUBJECT: Approval of Minutes of the April 5, 2000
Subcommittee on Corporate Governance, Open Session

ITEM NUMBER: 3

ATTACHMENT(S): 1

ACTION: X

DATE OF MEETING: May 3, 2000

INFORMATION:

PRESENTER(S): Chairperson

Proposed minutes of the Subcommittee on Corporate Governance meeting held in open session April 5, 2000 are submitted on the following pages.

**PROPOSED
MINUTES OF THE
SUBCOMMITTEE ON CORPORATE GOVERNANCE
OF THE
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
APRIL 5, 2000
OPEN SESSION
ROBYN D. MILLER BOARD ROOM
7667 FOLSOM BOULEVARD
SACRAMENTO, CALIFORNIA**

SUBCOMMITTEE MEMBERS PRESENT

Philip Angelides, State Treasurer, Chairperson
Yvonne Gallegos Bodle
George Fenimore
Emma Zink
Walter Barnes, representing State Controller, Kathleen Connell
Curt Robinson, representing State Superintendent
of Public Instruction, Delaine Eastin
Annette Porini, representing State Director of Finance
Tim Gage

OTHER BOARD MEMBERS AND REPRESENTATIVES PRESENT

Gary Lynes
Marty Mathiesen
Jennifer DuCray Morrill
Chris Drevalas
Anne Stausboll

STAFF PRESENT

James Mosman, Chief Executive Officer
Patrick Mitchell, Chief Investment Officer
Elleen Okada, Director of Investment Administration and External Relations
Chris Waddell, Chief Counsel
Doug Wills, Staff Counsel
Cathy Neff, Staff Counsel
Janice Hester Amey, Principal Investment Officer
Mary Ann Avansino, Administrative Assistant

OTHERS PRESENT

Ian Lanoff, Fiduciary Counsel
Allan Emkin, Pension Consulting Alliance
Toni Brown, Callan Associates Inc.
Terry Dennison, William Mercer Investment Consulting Inc.
Linda Scott, New York State and Local Retirement System
William Patterson, AFL-CIO
Kurt Schacht, Evergreen Asset Management
Gary Krane, California Teachers Divestment Campaign
Beverly Carlson, CTA

Gary Clifton, San Mateo Employees Retirement Association, Trustee
Michael McMahon, San Mateo Employees Retirement Association, Trustee
Scott Adams, USWA
Mary Wells, Council for Responsible Public Investing
Carla Din, The Rose Foundation
Donald Douglas, CTA, Retired
Loretta Toggenburger, UTLA, Retired
Edna White,
George Wichman, CTA
Ellen Logue, CTA/NEA, Retired
David Walrath, CRTA
Peter Comejo, Contra Costa County Retirement Association, Trustee
James Lee, Contra Costa County Retirement Association, Trustee
Jay Schenirer, Sacramento City Unified School District Board of Education
John Perez, UTLA
Anne Stupey, CFT
Paul Knepprath, American Lung Association
Amanda Bohl, IALAC
Dennis Meyers, Association of California School Administrators
Peter G. Mehr, Fresno County Superintendent of Schools
David Tokofsky, LAUSD School Board
Marc Burgett, American Heart Association

A quorum being present, Ms. DuCray Morrill called the open session meeting at 8:38 a.m.

I. **ANNOUNCEMENTS** (Item 2)
There were no announcements.

II. **APPROVAL OF MINUTES OF THE MARCH 8, 2000 SUBCOMMITTEE ON CORPORATE GOVERNANCE, OPEN SESSION** (Item 3)
MOTION duly made by Ms. Porini, seconded by Ms. Zink and carried to approve the minutes of the March 8, 2000 Subcommittee on Corporate Governance, Open Session as presented.

III. **PANEL – STRATEGIES FOR INSTITUTIONAL INVESTORS** (Item 4)
Mr. Mitchell introduced Ms. Scott, Mr. Patterson, and Mr. Schacht. The panel discussed various courses of action employed in response to practices that affect the value of portfolio companies.

Mr. Fenimore arrived at the meeting at 8:50 a.m.
Chairperson Angelides arrived at the meeting at 8: 55 a.m.

Discussion continued regarding social proxies, binding shareholder proposals, and shareholder litigation.

IV. **CORPORATE GOVERNANCE PIPELINE REPORT** (Item 5)
Mr. Mitchell presented the written report.

V. **DRAFT AGENDA FOR THE MAY SUBCOMMITTEE ON CORPORATE GOVERNANCE MEETING** (Item 6)
Mr. Mitchell reviewed the draft agenda for the May meeting. Discussion ensued. The following changes were made: item 4, Corporate Governance Policy, will be moved to the

June meeting; the business plan will be scheduled for July; and an item to discuss responses to letters sent to companies held in the portfolio regarding Holocaust era claims will be scheduled for May.

VI. **OPPORTUNITY FOR STATEMENTS FROM THE PUBLIC** (Item 7)

There were no further statements from the public.

VII. **MOVE TO CLOSED SESSION**

Chairperson Angelides recessed the meeting and reconvened into closed session at 9:50 a.m.

VIII. **ADJOURNMENT**

Chairperson Angelides announced that while in closed session the Subcommittee discussed workplan issues. There being no further business to conduct, the meeting was adjourned at 9:55 a.m.

James D. Mosman, Chief Executive Officer and Secretary to the
Teachers' Retirement Board

Philip Angelides, Chairperson